Medicines under drug price control order

†5029. SHRI KAPIL SIBAL:
SHRI BALWANT SINGH RAMOOWALIA:

Will the Minister of CHEMICALS AND FERTILZERS be pleased to state:

(a) whether it is a fact that various medicines in the country fall under the purview of Drug (Price Control) Order;

(b) if so, the total number of medicines which were under the purview of the said Order in March, 1997 and March, 2000, separately;

(c) whether it is a fact that the prices of medicines under the purview of Drug Price Control Order increased during the said period; if so, the percentage of the increase; and

(d) the percentage of increase in the prices of drugs which do not fall under the purview of the said Order?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS) (a) Yes, Sir.

(b) In the Drugs (Prices Control) Order, 1995, promulgated on 6.1.1995, 76 bulk drugs were kept under price control as mentioned in the First Schedule of the said Order. However, two bulk drugs were omitted from the schedule in September, 1997 and presently 74 bulk drugs and formulations based thereon are under price control.

(c) and (d) Price fixation / revision of prices of drugs is an ongoing and continuous process. The National Pharmaceutical Pricing Authority, an attached office of the Department of Chemicals & Petrochemicals, have between the period August, 97 to March,2000, fixed / revised price of 965 formualtion packs. Of the 965 packs, prices have been reduced for 402 and raised for 408 packs. Prices for 124 packs were fixed for the first time, while no change was effected from the existing level in the case of 31 packs.

Expenditure on Fertilizer Schemes

†5030 SHRI DILIP SINGH JUDEV: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total amount spent so far on various fertilizer schemes during the last three years;

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(b) the policy adopted by Government to encourage fertilizer producing companies; particularly the private sector companies; and

(c) the value of fertilizers produced upto 31st March, 1999, in comparison to the corresponding period of the last two years?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTLZIERS (SHRI RAMESH BAIS): (a) The Government does not driectly incur any expenditure on implementation of fertilizer schemes. However, plan budgetary support amounting to Rs. 191.38 crore, Rs. 174.72 crore and Rs. 135.19 crore, was provided by the Government to the Public Sector Undertaking under the administrative control of the Department of Fertilizers during 1997-98, 1998-99 and 1999-2000 respectively, for incurring expenditure on their critical on-going projects/schemes.

(b) To encourage investment in the fertilzer sector and to reduce the cost of production, the following facilties/ concessions are available to the fertilizer industry at present:—

(i) As per the industrial policy resolution dated 24th July, 1991, no license is normally required for setting up/ expansion of fertilizer plants. Entrepreneurs are free to set up/expand fertilzer projects anywhere in the country subject to environmental clearance.

(ii) Deemed Export Benefits to indigenous suppliers of capital goods to fertilizer projects provided such supplies are made under the procedure of international competitive bidding.

(iii) Reasonable return on investment to the entrepreneurs under the Retention Price-cum-Subsidy Scheme, at present applicable to existing urea capacity.

(iv) Concession on sale of decontrolled phosphatic and potassic fertilizers to farmers to promote the balanced use of plant nutrients.

(v) Import of capital goods for setting up of new plant/modernisation of existing units at a concessional rate of customs duty.

(vi) Import of fertilizer raw material and intermediates at a concessional rate of customs duty.

(c) The total value ot fertilzers of which prices are fixed by the central Government produced in the country; was Rs. 14421 crore in 1997-98, Rs. 15088 crore in 1998-99 and Rs. 16284 crore in 1999-2000, valued at the selling price levels prevailing on 31st March, 2000.